

Giving Stock

A smart way to support causes you care about

If giving is important to you, a **gift of appreciated stock** can help you **give more for less**.

When you give cash to charity, you're eligible for an income tax deduction.

But when you give appreciated stock to charity, you're eligible for an income tax deduction AND you **avoid capital gains tax**.

Plus, your gift of appreciated stock comes from your investments, not your checking account. That means **no impact on your day-to-day finances**.

A Quick Comparison

Gift of cash	vs.	Gift of appreciated stock
Income tax deduction		Income tax deduction
		Avoid capital gains taxes
		No impact on disposable income

A stock giving story

Bob and Jean recently retired. They did well in their careers, and now they want to give back.

Bob and Jean decide to make a special year-end gift of \$10,000 to support their local symphony. They have \$10,000 in cash they can use to make the gift. But they also have stock from Bob's old company. The stock was \$1,000 when they got it 10 years ago. It's grown rapidly, and now it's worth \$10,000.

Bob and Jean decide to call up their financial advisor to figure out the best way to give. Their advisor reminds them they're in the 24% federal income tax bracket. Then she helps Bob and Jean compare the benefits of giving cash versus giving the stock from Bob's old company.

Bob and Jean's \$10,000 cash gift

Income tax deduction ($\$10,000 \times 24\%$ tax rate) = \$2,400

\$2,400 in total tax savings

Bob and Jean's \$10,000 gift of appreciated stock

Income tax deduction ($\$10,000 \times 24\%$ tax rate) = \$2,400

Avoid capital gains ($\$9,000 \times 15\%$ long-term capital gains rate) = \$1,350

\$3,750 in total tax savings, no impact on disposable income

Bob and Jean decide that a gift of stock makes the most sense. It allows them to make the gift that's important to them while maximizing their tax savings and minimizing the impact on their day-to-day finances.

The Grand Teton Music Festival does not render tax or legal advice. Please consult your advisors to make sure the gift you're considering is right for you.



Stock Giving Strategies

For you to explore with your financial advisor

Use the “charitable swap” to eliminate capital gains without changing your portfolio

Do you have highly-appreciated stock that you love and want to hold? The “charitable swap” may be a great fit. Here’s how it works. You donate shares of a highly-appreciated stock you love directly to a charity you care about. You then immediately use cash to buy the same number of shares of the stock on the open market. You get an income tax deduction for the gift and eliminate capital gains without changing your portfolio.

Use stock gifts to rebalance your investments

Portfolios are like apple trees. They bear the most fruit with careful attention and pruning. You can use gifts of stock to prune out highly-appreciated assets that no longer fit your investment approach. This allows you to rebalance your portfolio without having to pay the capital gains tax that would come with any stock sales.

“Bunch” multiple years of giving into one with a large stock gift to maximize income tax savings

The Standard Deduction is at an all-time high. If you give every year but not enough to itemize on your taxes, “bunching” may help. Here’s an example of how it can work:

Tom likes to give \$5,000 every year to a community music nonprofit. But that doesn’t give him enough deductions to itemize. For 2021, he decides to “bunch” three years of giving into one with a \$15,000 gift of highly-appreciated stock. This larger gift allows him to surpass the Standard Deduction so he can itemize in 2021 before taking the Standard Deduction again in 2022 and 2023. His charitable giving stays the same. But he saves more on income tax and eliminates capital gains without touching his disposable income.

Giving stock to the Grand Teton Music Festival

If you’d like to make a stock gift to the Grand Teton Music Festival, you can use the following instructions to transfer stock directly to our trading account at Charles Schwab:

Deliver to DTC Clearing 0164
Code 40
Grand Teton Music Festival, Inc. – Trading
Account #3830 9597

Once your gift is received, GTMF’s advisors, CAPTRUST—a nationally-recognized, independent fiduciary and wealth management firm—will sell your stock so it can provide direct support for the music you love.

Prior to your transfer, please email Tim Dodge, Director of Development, at tim@gtmf.org with the details of your gift. Please include your name, the type of stock, number of shares, and your preferences for recognition. This helps us process your gift properly and recognize it in the way that’s most meaningful to you!

Questions?

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Grand Teton Music Festival, Inc. is a 501(c)(3) charitable organization TAX ID—23-7034152

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